

SENATE BILL No. 457

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-43-10.

Synopsis: Education funding. Increases the amounts used in determining performance grant awards. Appropriates \$20,000,000 each state fiscal year of the biennium for performance grant awards that is in addition to the appropriation made by the budget act. Provides a complexity grant minimum guarantee based on a floor of \$450 per average daily membership (ADM). Appropriates \$10,700,000 each state fiscal year to fund the minimum guarantee complexity grant.

Effective: June 29, 2015; July 1, 2015.

Delph

January 14, 2015, read first time and referred to Committee on Appropriations.



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 457

A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 20-43-10-3, AS ADDED BY P.L.205-2013,
2 SECTION 300, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JUNE 29, 2015]: Sec. 3. (a) As used in this section,
4 "achievement test" means a:
5 (1) test required by the ISTEP program; or
6 (2) Core 40 end of course assessment for the following:
7 (A) Algebra I.
8 (B) English 10.
9 (C) Biology I.
10 (b) As used in this section, "graduation rate" means the percentage
11 graduation rate for a high school in a school corporation as determined
12 under IC 20-26-13-10 but adjusted to reflect the pupils who meet the
13 requirements of graduation under subsection (d).
14 (c) As used in this section, "test" means either:
15 (1) a test required by the ISTEP program; or
16 (2) a Core 40 end of course assessment;



1 in the school year ending in the immediately preceding state fiscal year
 2 or, for purposes of a school year to school year comparison, in the
 3 school year immediately preceding that school year.

4 (d) A pupil meets the requirements of graduation for purposes of
 5 this section if the pupil successfully completed:

6 (1) a sufficient number of academic credits, or the equivalent of
 7 academic credits; and

8 (2) the graduation examination required under IC 20-32-3 through
 9 IC 20-32-5;

10 that resulted in the awarding of a high school diploma or an academic
 11 honors diploma to the pupil for the school year ending in the
 12 immediately preceding state fiscal year.

13 (e) Determinations for a school for a state fiscal year must be made
 14 using:

15 (1) the count of tests passed compared to the count of tests taken
 16 throughout the school;

17 (2) the graduation rate in the high school; and

18 (3) the count of pupils graduating in the high school.

19 (f) In determining grants under this section, a school corporation
 20 may qualify for the following each year:

21 (1) One (1) grant under subsection (h), (i), or (j).

22 (2) One (1) grant under subsection (k), (l), or (m).

23 (g) The sum of the grant amounts determined for a school
 24 corporation under this section constitutes an annual performance grant
 25 that is in addition to state tuition support. The annual performance
 26 grant for a state fiscal year shall be distributed to the school corporation
 27 before December 5 of that state fiscal year. The performance grant
 28 received by a school corporation may be used only to pay cash awards
 29 to teachers who are rated as effective or as highly effective.

30 (h) A school qualifies for a grant under this subsection if the school
 31 has more than seventy-two and five-tenths percent (72.5%) but less
 32 than ninety percent (90%) of the tests taken in the school year ending
 33 in the immediately preceding state fiscal year that receive passing
 34 scores. The grant amount for the state fiscal year is:

35 (1) the count of the school's passing scores on tests in the school
 36 year ending in the immediately preceding state fiscal year;
 37 multiplied by

38 (2) ~~twenty-three dollars and fifty cents (\$23.50).~~ **thirty-three**
 39 **dollars (\$33).**

40 (i) A school qualifies for a grant under this subsection if the school
 41 has at least ninety percent (90%) of the tests taken in the school year
 42 ending in the immediately preceding state fiscal year that receive



- 1 passing scores. The grant amount for the state fiscal year is:
- 2 (1) the count of the school's passing scores on tests in the school
- 3 year ending in the immediately preceding state fiscal year;
- 4 multiplied by
- 5 (2) ~~forty-seven dollars (\$47)~~; **sixty-six dollars (\$66)**.
- 6 (j) This subsection does not apply to a school corporation in its first
- 7 year of operation. A school qualifies for a grant under this subsection
- 8 if the school's school year over school year percentage growth rate of
- 9 achievement tests receiving passing scores was at least five percent
- 10 (5%), comparing the school year ending in the immediately preceding
- 11 state fiscal year to the school year immediately preceding that school
- 12 year. The grant amount for the state fiscal year is:
- 13 (1) the count of the school corporation's pupils who had a passing
- 14 score on their achievement test in the school year ending in the
- 15 immediately preceding state fiscal year; multiplied by
- 16 (2) ~~forty-seven dollars (\$47)~~; **sixty-six dollars (\$66)**.
- 17 (k) A school qualifies for a grant under this subsection if the school
- 18 had a graduation rate of ninety percent (90%) or more for the school
- 19 year ending in the immediately preceding state fiscal year. The grant
- 20 amount for the state fiscal year is:
- 21 (1) the count of the school corporation's pupils who met the
- 22 requirements for graduation for the school year ending in the
- 23 immediately preceding state fiscal year; multiplied by
- 24 (2) ~~one hundred seventy-six dollars (\$176)~~; **two hundred**
- 25 **forty-six dollars (\$246)**.
- 26 (l) A school qualifies for a grant under this subsection if the school
- 27 had a graduation rate greater than seventy-five percent (75%) but less
- 28 than ninety percent (90%) for the school year ending in the
- 29 immediately preceding state fiscal year. The grant amount for the state
- 30 fiscal year is:
- 31 (1) the count of the school corporation's pupils who met the
- 32 requirements for graduation for the school year ending in the
- 33 immediately preceding state fiscal year; multiplied by
- 34 (2) ~~eighty-eight dollars (\$88)~~; **one hundred twenty-three dollars**
- 35 **(\$123)**.
- 36 (m) This subsection does not apply to a school in its first year of
- 37 operation. A school qualifies for a grant under this subsection if the
- 38 school's school year over school year percentage growth in its
- 39 graduation rate is at least five percent (5%), comparing the graduation
- 40 rate for the school year ending in the immediately preceding state fiscal
- 41 year to the graduation rate for the school year immediately preceding
- 42 that school year. The grant amount for the state fiscal year is:



(1) the count of the school corporation's pupils who met the requirements for graduation in the school year ending in the immediately preceding state fiscal year; multiplied by

(2) one hundred seventy-six dollars (\$176) **(through June 30, 2015) or two hundred forty-six dollars (\$246) (after June 30, 2015).**

(n) This section expires June 30, ~~2015~~: **2017.**

SECTION 2. IC 20-43-10-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 4. (a) This section provides for a minimum guarantee complexity grant. A school corporation qualifies for a grant under this section for a state fiscal year if the amount of the school corporation's complexity grant under IC 20-43-13 for the state fiscal year is less than:**

(1) four hundred fifty dollars (\$450); multiplied by

(2) the school corporation's current ADM.

(b) The grant amount determined for a school corporation under this section constitutes an annual grant that is in addition to state tuition support. The annual grant for a state fiscal year shall be distributed to the school corporation before December 5 of that state fiscal year.

(c) The amount of a school corporation's grant under this section in each state fiscal year is the amount determined as follows:

STEP ONE: Determine the result of the following:

(A) four hundred fifty dollars (\$450); multiplied by

(B) the school corporation's current ADM.

STEP TWO: Determine the amount of the school corporation's complexity grant under IC 20-43-13 for the state fiscal year.

STEP THREE: Determine:

(A) the STEP ONE amount; minus

(B) the STEP TWO amount.

(d) If the total amount of grants under this section for a particular state fiscal year exceeds the amount appropriated for grants under this section, the total amount to be distributed under this section to each school corporation during the remaining months of the state fiscal year shall be proportionately reduced so that the total reductions equal the amount of the excess. The amount of the reduction for a particular school corporation is equal to the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the grant distribution



1 that the school corporation would have received if a reduction were
2 not made under this section. The denominator of the fraction is the
3 total amount that would be distributed in grants to all school
4 corporations under this section if a reduction were not made under
5 this section.

6 (e) This section expires June 30, 2017.

7 SECTION 3. [EFFECTIVE JULY 1, 2015] (a) In addition to any
8 amount appropriated in the state budget act for the biennium
9 beginning July 1, 2015, and ending June 30, 2017, there is
10 appropriated from the state general fund twenty million dollars
11 (\$20,000,000) for each state fiscal year for the department of
12 education to make performance grant awards as provided in
13 IC 20-43-10-3, as amended by this act.

14 (b) There is appropriated from the state general fund ten
15 million seven hundred thousand dollars (\$10,700,000) for each
16 state fiscal year of the biennium beginning July 1, 2015, and ending
17 June 30, 2017, for the department of education to make minimum
18 guarantee complexity grant distributions under IC 20-43-10-4, as
19 added by this act.

20 (c) This SECTION expires June 30, 2017.

21 SECTION 4. An emergency is declared for this act.

